

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE  
THIRD SET OF INFORMATION REQUESTS FROM THE DTE  
D.T.E. 06-31

Date: September 13, 2006

Responsible: Stephen H. Bryant, President

**BULK RESPONSE**

DTE-BSG-3-3      Refer to the Company's response to UWUA 2-2(A). Please provide a copy of the most recent union contract that NiSource entered into with USW Local 13796.

RESPONSE:      Attachment D.T.E.-BSG-03-03 is the currently effective contract between Northern Indiana Public Service Company and United Steel Workers of America AFL-CIO-CLC on behalf of Local Union 13796 – Office and Clerical Employees.

**BULK RESPONSE**

**AGREEMENT**

**BETWEEN**

**NORTHERN INDIANA  
PUBLIC SERVICE COMPANY**

**AND**

**UNITED STEELWORKERS  
OF AMERICA**

**AFL-CIO-CLC**

**ON BEHALF OF**

**LOCAL UNION 13796  
Office and Clerical Employees**

**EFFECTIVE JUNE 1, 2004**

LOCAL UNION 13796

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## AGREEMENT

THIS AGREEMENT made and entered into as of the 1st day of June, 2004, by and between Northern Indiana Public Service Company, an Indiana corporation operating with its principal office in Merrillville, Indiana, its successors and assigns (hereinafter referred to as the Company) and the United Steelworkers of America, AFL-CIO-CLC, on behalf of Local Union No. 13796, United Steelworkers of America, AFL-CIO-CLC, (hereinafter referred to as the Union):

WHEREAS, it is the intent and purpose of the parties hereto to provide a means of adjustment of differences that may arise from time to time, and to promote harmony and efficiency to the end that the Company, the Union, its members and the general public may mutually benefit, and to establish a basic understanding relative to rates of pay, hours of work and other conditions of employment.

Neither the Company nor the Union shall discriminate against any employee in the application of the terms of this Agreement because of race, creed, color, national origin, disability, sex, sexual orientation, or age in violation of any state or Federal law.

NOW, THEREFORE, in consideration of the mutual promises and obligations assumed herein, the parties hereto agree as follows:

## **ARTICLE I**

### **Recognition**

1. The Company recognizes the Union as the exclusive representative for the purpose of collective bargaining with respect to the rates of pay, wages, hours of employment and other conditions of employment for all office and clerical employees whose classifications are contained in this Agreement, but excluding those employees who, because of the confidential nature of their work, have been, or may be in the future, specifically designated for exclusion from the bargaining unit by mutual agreement between the Company and the Union.

2. The Company also recognizes the Union as the exclusive representative for the purpose of collective bargaining with respect to the rates of pay, wages, hours of employment and other conditions of employment for the employees of corporations later acquired, new plants built or new departments established, whose operations are consolidated with the operations of the Company and who perform the same classifications or nature of work as those employees theretofore covered by this Agreement.

## ARTICLE II Checkoff

1. All employees whose classifications are contained in Schedule A of this Agreement and who do not elect to become members of the United Steelworkers of America, AFL-CIO-CLC, Local 13796, their exclusive bargaining representative, shall, as a condition of employment, pay to the Union, directly or by way of a proper authorization for payroll deduction to the Company, an amount of money equal to that paid by other employees in the bargaining unit who are members of the Union, which payment shall be limited to an amount equal to the Union's regular and established initiation fee and its regular and established monthly dues. Employees who fail to comply with the foregoing provision will, upon written notice by the Union to the Company, be placed upon five (5) calendar-day notice and at the end of such notice period, having failed to comply with the provision, will be removed from the active service of the Company. Having been so removed the employee will have no re-employment or seniority rights with the Company or any other right or benefit of any sort whatsoever. Employees affected by this provision shall comply within thirty-one (31) days after employment.

2. The Company will check off monthly dues, assessments<sup>1</sup> and initiation fees each as designated by the International Treasurer of the Union, as membership dues in the Union, on the basis of individually signed voluntary check-off authorization cards in forms agreed to by the Company and the Union.

Any employee, hired into, transferred into or organized into this bargaining unit will receive a "packet" supplied by the Local Union and issued by the Company at the time said employee comes into the jurisdiction of this bargaining unit. The Company will not be responsible for maintaining a supply of packets or assume any penalty in connection with this provision.

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<sup>1</sup>Note: "Assessments" shall mean only those assessments approved by the Union under its Constitution and uniformly imposed upon the membership, and shall not include fines of any nature.



At the time of her employment the Company will suggest that each new employee voluntarily execute an authorization for the checkoff of Union dues in the form agreed upon. A copy of such authorization card for the checkoff of Union dues shall be forwarded to the Financial Secretary of the Local Union along with the membership application of such employees.

In the event said employee refuses to sign a check-off card at the time of her employment, the Company will send the Local Union office a receipt signed by the employee, or noted otherwise, stating that she received her Union packet on the date she was employed under the jurisdiction of this bargaining unit. These receipts will be mailed weekly to the Local Union Office in stamped envelopes provided by the Union.

At the close of each week, the Company will furnish to the President of the Local Union and to the office of the United Steelworkers and Financial Secretary, a list of any employees hired into, transferred into or organized into the jurisdiction of this bargaining unit, also any removals or transfers out of this bargaining unit. The list of new employees will include the addresses of such employees and the date of employment for those whose classifications are contained in Article XXIII, Schedule A and such employees will be listed by districts and operating departments.

New check-off authorization cards will be submitted to the Company through the Financial Secretary of the Local Union at intervals no more frequent than once each month. On or before the last day of each month the Union shall submit to the Company a summary list of cards transmitted in each month.

Deduction on the basis of authorization cards submitted to the Company shall commence with respect to dues for the month in which the Company receives such authorization cards or in which such card becomes effective, whichever is later. Dues for a given month shall be deducted from the first pay closed and calculated in the succeeding month.

In cases of earnings insufficient to cover deduction of dues, the dues shall be deducted from the next pay in which there are sufficient earnings, or a double deduction may be made from the first pay of the following month, provided, however, that the accumulation

of dues shall be limited to two (2) months. The International Treasurer of the Union shall be provided with a list of those employees for whom double deductions have been made.

The Union will be notified of the reason for non-transmission of dues in case of layoff, discharge, unit transferal, resignation, leave of absence, sick leave, retirement, death or insufficient earnings.

With respect to check-off authorization cards submitted directly to the Company, the Company will deduct initiation fees unless specifically requested not to do so by the International Treasurer of the Union after such check-off authorization cards have become effective. The International Treasurer of the Union shall be provided with a list of those employees for whom initiation fees have been deducted under this paragraph.

The provisions of this Section 2 shall be effective in accordance and consistent with applicable provisions of Federal law.

3. The Company shall remit the total amount thus deducted to the International Treasurer of the International Union, not later than the fifteenth (15th) day of the following month. An alphabetical list of the employees covered thereby shall be sent to the Financial Secretary of Local Union 13796.

4. The Union agrees to indemnify and hold the Company harmless from and against any and all claims, demands, actions, suits, or any other types of liability that may result from any action taken by the Company pursuant to Section 2 of this Article or in reliance on any notice, list, or other written information received by the Company from the Union or any employee regarding Section 2 of this Article.



**ARTICLE III**  
**Management**

1. It is understood and agreed between the parties that, subject to the conditions contained in this Agreement, the Company has and shall continue to have vested in it the exclusive right to exercise the duties of management, to plan, direct and control the working operations and force, including the right to hire, suspend, demote, promote, discharge for just cause, determine the adequacy of supervision, relieve employees from their duties because of lack of work or materials and for other legitimate reasons, and designate the hours of employment.

**ARTICLE IV**  
**Union Officers and Delegates**

1. Any employee covered by this Agreement who is elected as a permanent Union Officer or as a delegate to a Union Convention or meeting requiring a temporary leave of absence may make a request to the Company for such leave of absence without pay, and the Company shall grant such leave, provided, however, if the employee wishes a leave for fifteen (15) days or longer, she shall give written notice to the Company at least seven (7) days in advance of such leave. However, an employee serving on the Grievance Committee or as an Officer of the Union who is required to be absent for Union business for her Local Union shall be considered to have complied with the requirements when verbal notice is given to her immediate Supervisor.

2. The Union shall not request a leave for more than two (2) employees in any one department at the same time. If two (2) employees from any one department on leave at the same time would interfere with the efficient operation of the Company's business, the matter shall be taken up between the Company and the Union and satisfactory adjustment shall be made.

3. At the end of her term of office or the completion of her mission, as the case may be, the employee shall resume her employment with the Company at her former rate of pay adjusted to reflect any increase or decrease applicable to such employee which may have become effective during such leave of absence.

4. Any employee granted a leave of absence by the Company while acting as a Representative of the Union, elected or appointed, shall retain full seniority rights for a period of three (3) years. In the event such leave of absence exceeds three (3) years, that period in excess of the three (3) years shall be excluded in computing the length of service of such employee with the Company.

5. The above provisions are subject to the seniority provisions of this Agreement hereinafter set forth.

## **ARTICLE V**

### **Grievances**

1. It is expressly understood and agreed that the services to be and being performed by the employees covered by this Agreement pertain to and are essential to the operation of a Public Utility and to the welfare of the public dependent thereon, and in consideration thereof, and of the agreement and conditions herein by and between the Company and the Union to be kept and performed, the Company and the Union mutually agree that during the term of this Agreement there shall be no lockouts by the Company and there shall be no strikes, stoppages of work or any other form of interference with any of the production or other operations of the Company by employees in the bargaining unit.

2. When an employee is interviewed by a Supervisor or member of Management for any reason, the employee shall have the right to request and require the presence of that appointed or elected Union representative most readily available as a witness or advisor if she so desires. She may request this prior to or during the interview but may not insist upon a particular individual if another of equal rank in the Union organization is more conveniently and readily available.

3. All disputes and controversies arising under or in connection with the terms or provisions hereof shall be subject to the grievance procedure hereinafter set forth:

When an employee considers herself aggrieved, she shall discuss the incident with her Supervisor and her Steward. If the issue has not been settled by the end of the employee's next working day, it may be taken to Step 1 of this procedure.

If a settlement is reached before the grievance is reduced to writing, a pre-grievance form shall be filled out and the Grievance Committeeperson must sign and approve the document. One copy will be given to the grievant, the Supervisor will retain one (1) copy and will mail one (1) copy each to the Grievance Committeeperson and the Local Union Office.

Step 1: The employee will obtain a Grievance Form and complete the upper portion stating her grievance and other pertinent information. The form will be presented to her Supervisor

within fifteen (15) scheduled days (Grievant's scheduled days off and Holidays excluded) after the event causing the grievance. The Supervisor will sign and date the form acknowledging the request of the employee for a grievance hearing. The Supervisor will retain all copies pending completion of the form and give the employee a receipt indicating that her grievance has been submitted.

The Supervisor will arrange for a grievance hearing as soon as practical, but no later than ten (10) scheduled days (Grievant's scheduled days off and Holidays excluded) after receiving the Grievance Form from the employee. The Step 1 grievance will be between the Grievant, her Steward, the Grievance Committeeperson, or their nominees, and those witnesses as both the Union and Company agree are needed to resolve the grievance, the Supervisor and Manager of the local unit involved and/or the Superintendent or their appropriate designees. At the conclusion of the hearing, the Company will complete the lower portion of the Grievance Form. The completed form will serve as a statement of the employee's grievance and the Supervisor's response. One (1) copy of the completed form will be provided to the employee and one (1) copy to her Union Representative at the conclusion of the hearing, if possible, but in any event within five (5) scheduled days (Grievant's scheduled days off and Holidays excluded) after the date of the hearing. The Supervisor will retain one (1) copy for the local file and mail one (1) copy to the Manager of Labor Relations and one (1) copy to the Chairman of the Grievance Committee at the Local Union Office.

Safety grievances involving an immediate threat to the safety and/or health of employees will be given priority in the grievance procedure.

In Step 1 the grievant and other Union participants will receive their base wages for time spent at the grievance if heard during their regularly scheduled hours (excluding overtime hours).



Step 2: If an adjustment of the grievance cannot be reached in Step 1, and the aggrieved employee elects to proceed to Step 2, the employee or Steward, at the employee's request, shall reduce the grievance to writing on the Union's Grievance Form, stating all particulars, and shall furnish a copy signed by the Steward to the Local Union Grievance Committee.

Should the Union intend to pursue the grievance to Step 2, the Union will send written notice of such intent to the Manager of Labor Relations and to the Manager of the local unit involved within sixty (60) working days (Saturdays, Sundays and Holidays excluded) following the date the completed Grievance Form is received in the Union Office.

Upon timely notification from the Union to the Manager of Labor Relations, the Company shall arrange for a Step 2 Grievance Hearing to be scheduled not more than sixty (60) calendar days after receipt of notice to proceed to Step 2. The hearing will be conducted at the District, Plant or Department in which the grievance originated, unless another location is mutually agreed to by the Company and the Union. The Company will be represented by the Manager of Labor Relations, or his appropriate designee. The Union will be represented by the International Staff Representative, the Local Union President and the Local Union Chairperson of the Grievance Committee, or their appropriate designees and any other participants as the Union and Company agree are pertinent to the resolution of the grievance. (The Company and the Union may mutually agree, in order to expedite a particular grievance or grievances, to hear these grievances at the Company's Corporate Office.) Union participants in Step 2 will receive their base wages for time spent at the grievance if heard during their regularly scheduled hours (excluding overtime hours).

Minutes of the 2nd Step hearing shall be prepared by the Manager of Labor Relations or his representative within ten (10) days (Saturdays, Sundays and Holidays excluded) of the hearing date. Four (4) copies of the minutes shall be mailed to the Office of the United Steelworkers, Local 13796, for their signatures.

Any corrections or additions to the minutes may be prepared by the Union and shall be returned to the Company along with one (1) signed copy of the minutes, within sixty (60) calendar days, measured from the date the minutes are received in the Union office.

If an adjustment cannot be reached pursuant to and in the manner hereinabove set forth, the specific grievance may be submitted to arbitration upon the election of either the Company or the Union by written notification to the other party within sixty (60) calendar days from the date of receipt of the signed minutes of the Step 2 hearing by the Company.

Prior to the scheduling of a grievance to be heard in regular arbitration a meeting may be called, at the request of either party, between the Manager of Labor Relations and the International Union Staff Representative, or her designee for the purpose of attempting to mutually resolve the grievance without going through the arbitration process.

- Step 3:
- A. ARBITRATION: If an adjustment cannot be reached in Step 2, the specific grievance may be submitted to arbitration by the International Staff Representative by written notification to the Company within sixty (60) calendar days from the date of the receipt of the signed minutes of the Step 2 Hearing by the Company.
  - B. A permanent panel of arbitrators shall be established to hear all grievances submitted to arbitration except those submitted by mutual agreement for resolution under the Expedited Arbitration Procedure. Maximum of three (3) arbitrators will be selected by mutual agreement of the Company and the Union. Each arbitrator selected will be notified of her selection and asked to indicate acceptance or rejection of the appointment. If any arbitrator rejects appointment to the panel, a replacement shall be selected by mutual agreement.



- C. The Company and the Union each may notify the other in writing, during June of each year of the term of the Agreement that they desire to remove one (1) arbitrator from the permanent panel. That arbitrator shall then be notified of her removal by a joint letter from the parties; provided that an arbitrator who has been selected to hear a particular grievance shall not be removed from the panel pursuant to notice timely given by either party until after she has heard that grievance and rendered an award. If an arbitrator is so removed from the panel, a replacement shall be selected by mutual agreement of the parties within thirty (30) days after the removal.
- D. The priority for selection of an arbitrator shall be determined by the dates of submission of the grievances to arbitration, with the earliest submitted grievances receiving priority for selection of arbitrators provided that such priority for the selection of an arbitrator may be changed by the mutual agreement of the Company and Union. If the arbitrator selected for a particular grievance cannot hear that grievance within two (2) months from the date she is notified of her selection she shall be bypassed and another arbitrator shall be selected by lot and so on until one is selected who can hear that grievance within the two (2) month time limit.
- E. The arbitrator shall be governed by the terms of this Agreement and shall have no power to add to, detract from or change its terms. The decision of the arbitrator shall be accepted as final and shall be complied with by the employees, the Company and the Union. This decision shall be in writing, a copy of which shall be delivered to each of the parties in regular course, and the decision shall, if required, include the necessary time for compliance with the provisions or directions thereof by the Company and/or the Union, or those represented by the Union.

- F. Either party may arrange for a transcript of the arbitration hearing. If both parties request copies of the transcript, they shall split the fees and expenses of the reporter, and the party arranging for the transcript will pay the cost of the arbitrator's copy of the transcript. Each party will pay for its own copy of the transcript.
- G. Either party requesting a brief will notify the other party fifteen (15) days prior to the date of the hearing.
- H. The expenses and fees of the arbitrator shall be shared equally by the Company and the Union, and each party shall bear the responsibility for compensating its own witnesses and representatives at the arbitration hearing.
- I. The grievance will be heard at the District, Plant or Department where the grievance originated unless the parties agree on another location.
- J. Prior to the scheduling of a grievance to be heard in Regular Arbitration, a meeting may be called, at the request of either party, between the Manager of Labor Relations and the International Union Staff Representative, or their designees, for the purpose of attempting to mutually resolve the grievance without going through the arbitration process.

DISCHARGE GRIEVANCES: The 1st Step of the grievance procedure, at the election of the Company or the Union, may be bypassed and the grievance be heard in the 2nd Step.

All discharge grievances shall be heard in the 2nd Step within forty-five (45) calendar days from the date of the discharge (Saturdays, Sundays and Holidays excluded).

ARBITRATION-DISCHARGE: The Company and the Union shall agree on a list of Arbitrators (5 to 8 in number). An Arbitrator shall be selected from this list, according to her availability, to hear the discharge grievance within a reasonable time.

**EXPEDITED ARBITRATION:** The following expedited arbitration procedure is hereby adopted.

The expedited arbitration procedure is designed to provide prompt and efficient handling of all cases within such procedure.

A panel of arbitrators sufficient to insure the intended operation of this procedure shall be jointly selected by the representatives of the parties to this Agreement. Such panel should be selected from the American Association of Arbitrators or Federal Mediation and Conciliation Service. This panel when established, will remain in effect for no less than one (1) year.

The expenses of this procedure shall be borne equally by the Company and the Union.

Upon receipt of the Step 2 minutes as provided in this Article, the Union designee and the Company designee may agree in writing to appeal the grievance to an arbitrator under this expedited arbitration procedure.

As soon as the Union designee and the Company designee agree to appeal a grievance under this procedure, they shall notify the designated arbitrator.

The designated arbitrator is that member of the panel who, pursuant to a rotation system, is scheduled for the next arbitration hearing.

Immediately upon such notification, the designated arbitrator shall arrange for the hearing to take place not more than twenty (20) working days thereafter in the plant or district where the grievance originated.

If the designated arbitrator is not available to conduct a hearing within the twenty (20) days, the next panel member in rotation shall be notified until an available arbitrator is obtained.

The hearing shall be conducted in accordance with the following:

- A. The hearing shall be informal.

- B. No briefs shall be filed or transcripts made.
- C. There shall be no formal evidence rules.
- D. Each party's case shall be presented by a previously designated representative.
- E. The Arbitrator shall have the obligation of assuring that all necessary facts and considerations are brought before her by the representatives of the parties.
- F. The Arbitrator may issue a bench decision at the hearing; but in any event, she shall render her decision within forty-eight (48) hours after the conclusion of the hearing. Her decision shall be based on the record developed by the parties before and at the hearing and shall include a brief written explanation of the basis for her conclusion.

These decisions will not be cited as a precedent in any discussion of complaints or grievances at any step of the grievance or arbitration procedure.

Time spent by Union participants during normal work hours in Steps 1 and 2 shall be paid by the Company in the usual manner.

4. No grievance may be filed by the aggrieved employee later than fifteen (15) days (Saturdays, Sundays, and Holidays excluded) after the event causing the grievance.

5. If more than one (1) employee considers herself aggrieved by the same incident all such must file their grievances within the fifteen (15) days (Scheduled days off excluded) following the incident. If multiple individuals file timely grievances regarding a single incident, the Grievance Committee person shall combine all such grievances under a single grievance prior to pursuing the Step 2 Hearing.

6. Only those grievances which have been filed in the manner set forth in the grievance procedure will be considered in the final settlement of the grievance or grievances.



7. The Company will not discipline an employee more than fifteen (15) days (Saturdays, Sundays, and Holidays excluded) after the date of the incident. The fifteen (15) day period will not apply and the Company may discipline an employee at any time for the reasons of dishonesty on the job, stealing of Company property, or if an employee is convicted of a felony and is subjected to a prison term.

8. The District or Department issuing a letter of reprimand or warning to an employee will send a copy of the letter to the home address of the Grievance Committeeperson involved, the Local Union Office and the President of the Union.

9. Employees who are removed from the payroll during their probationary period shall have no recourse to the grievance procedure.

10. In the event an employee is suspended or discharged, the Company shall mail to the Grievance Committeeperson of the Union Division in which the action occurs, and two (2) copies to the Local Union President at the Union Office of the United Steelworkers, Local 13796, a detailed report of the case together with all pertinent background information not later than ten (10) working days following the effectiveness of such suspension or discharge (Saturdays, Sundays, and Holidays excluded). This procedure does not apply to layoffs or reduction in the work force. Not later than fifteen (15) days after mailing such notice, the Union shall initiate any action considered appropriate. Suspensions shall be heard in the expedited arbitration process as soon as possible upon the receipt of the grievance report.

11. Should the terms or provisions contained in this Agreement appear to be violated and the employee or employees affected thereby decline to initiate or follow through the grievance in the grievance procedure hereinabove set forth, then the Local Union Grievance Committee shall, within forty-five (45) working days after the apparent violation, file a grievance in Step 1 to resolve the matter and, if necessary, invoke all the subsequent steps hereinabove specified.

12. Neither party shall bring, or cause to be brought, any court or other legal or administrative action against the other until the dispute, claim, grievance or complaint shall have been brought to the attention of the party against whom it shall be made, and said party shall have failed to correct the matter to the satisfaction of the other party.

13. Grievances resulting in a monetary settlement in favor of the employee in the first year of the Agreement will be retroactive up to a maximum of twelve (12) months.

14. Grievances resulting in a monetary settlement in favor of the employee in the second and third years of the Agreement may be retroactive to the effective date of the Agreement.



## ARTICLE VI Seniority

1. Seniority shall be computed as commencing with the first day at which time the employee was assigned by the Company or its predecessors to a classification within this bargaining unit (except as may be affected by Sections 13 and 34 of this Article and Article XXI regarding Temporary Workforce Employees) and shall be computed on the basis of continuous employment within this bargaining unit.

The seniority of an employee in Local Union 12775 who is a successful bidder to a classification in this bargaining unit shall be computed as commencing with the first day at which time the employee was assigned by the Company or its predecessors to a classification within that bargaining unit and shall be computed on the basis of continuous employment within that bargaining unit and this bargaining unit.

Seniority shall not be affected by layoffs, sickness or injury off the job, provided that, in the event absence for the latter two causes exceeds one (1) year in the case of the employee with less than five (5) years of seniority at the start of the illness or injury, two (2) years in the case of the employee with at least five (5) but less than ten (10) years of seniority and three (3) years in the case of all others, the time in excess of one (1), two (2), or three (3) years, as the case may be, shall be excluded in computing the seniority of such employee and, in the event of the first cause, Section 34 of this Article shall govern.

In the case of injury on the job there shall be no loss of seniority regardless of the length of absence and the employee may return to her prior job if she is able to conform to the standards set by the Job Description; otherwise, the employee must take such job as she can perform in either the physical or clerical unit without loss of seniority. In such case, when an employee has been injured on the job, the Company and the Union together will review the aptitudes of the employee at the time she is to return to work to determine what type of work she will be able to perform.

2. The Company may lay off or discharge full-time employees during the first six (6) months of their employment, and part-time employees during the first one thousand and forty (1,040) hours

worked, and there shall be no responsibility for the re-employment of such employees. The first six (6) months of employment, for those employed for other than summer, vacation, or bona fide temporary work, is intended to provide, in addition to productive work, a reasonable and fair indication of the individual's capacity to acquire knowledge, ability to make progress, attitude toward the work, character, habits, peculiarities which will affect her progress in her current and higher classifications, and ability to work harmoniously with her fellow employees.

3. During the first six (6) months of employment the employee shall be eligible to bid on vacancies only under the following conditions:

- A. The vacancy is in the line of progression as indicated on the Progression Charts, and
- B. The employee continues to report to the same Supervisor or Department Head.

This includes part-time employees who have accumulated less than one thousand forty (1,040) hours of part-time employment since June 16, 1977.

4. A reasonable length of time as used in this Agreement shall mean six (6) months at the most, except that if the employee is qualifying for a higher job in her own department the experience item under Qualifications in the evaluated Job Description shall be the maximum.

5. Except as otherwise provided in this Article, seniority shall govern in all cases of promotion, increases or decreases in the work force, changes of classification or rate, and selection of work schedules provided that, in the case of promotions or increases in the work force, the employee has the Qualifications set for the job by the Job Description and has the aptitudes and abilities to qualify for the Duties set for the job by the Job Description within a reasonable length of time.

6. When the seniority dates of employees are identical, seniority will be established by using the last four (4) digits of the Social Security Number. The employee with the higher Social Security

number shall be the most senior employee. Seniority dates established prior to February 2, 1981, shall remain in effect.

7. All promotions shall be on a trial basis to determine the efficiency and ability of the employee to meet the requirements of the new position to conform to the standards set by the Job Description.

8. Employees who are successful bidders from one job to another within the line of progression in a department shall receive pay in the following manner:

- A. The employee shall be paid that step of the new Pay Grade which is next above her previous regular rate unless she shall have previously served temporarily on the job for an aggregate of one thousand forty (1,040) hours, in which event she shall receive that step of the new Pay Grade which is second above her previous regular rate, and so on.
- B. An employee temporarily transferred to perform within a lower Pay Grade shall retain her regular rate of pay.
- C. The rate to be paid an employee whose rate is incumbent shall be determined by Section 31 of this Article.

9. Any employee who is temporarily transferred to perform a job in a higher Pay Grade and who fully performs the duties assigned shall be paid that step rate of the higher Pay Grade next above the employee's regular rate of pay but in any event not less than five cents (5c) per hour above her regular rate. The aforesaid minimum of five cents (5c) shall apply to an employee whose regular rate is incumbent only to the extent that her incumbent rate is below the final step of the Rate Range of the job to which she is temporarily transferred.

- A. If the employee thus serves temporarily on the same job in a higher Pay Grade for an aggregate of one thousand forty (1,040) hours, her rate of pay shall thereafter be that step of the Rate Range of the job which is second above her regular rate of pay, and so on.

- B. The minimum daily payment at the higher rate shall be:
1. Two (2) hours for those employees who relieve for rest periods and lunch hours.
  2. Three (3) hours for employees who relieve for reasons other than rest periods and lunch hours.
  3. Four (4) hours for employees who relieve for rest periods, lunch hours and other reasons.
- C. Variations in the job assignment of an employee due to diversity of work load and changes in the nature of the work flow through her department which require no greater skill than the employee's regular assignment shall not constitute a transfer within the meaning of this Section.
- D. Temporary relief in a higher Pay Grade in all departments shall normally be provided according to the progression charts for that department. Subject to the right of the Company to assign employees in higher or equal Pay Grades for relief purposes in lower or the same Pay Grades when the work load of the higher or equal-rated employees so permits, the Company will make every effort to upgrade employees whenever possible in order to provide employees with training for future job vacancies. The Company will make every effort to provide for temporary relief in accordance with this paragraph before using part-time or temporary employees for such relief.
- E. An employee who has accepted training to provide temporary relief in one or more higher classifications shall accept assignment to such classifications when required by the work load for a minimum period of six (6) months after she has been trained for the job. If she no longer wishes to provide relief, after the six (6) months period, she shall give her Supervisor, Union Steward and President sixty (60) days advance written notice of such request. Such employee will be restricted from providing relief in that classification or higher classifications in the



same line of progression for a period of six (6) months. If she thereafter desires to accept such relief assignments, she must so notify, in writing, her Supervisor, Union Steward and President. Within sixty (60) calendar days after February 2, 1981, all employees covered by the Clerical Unit Collective Bargaining Agreement on May 31, 1980, shall be given a one-time option of accepting or refusing relief in accordance with this paragraph E. Acceptance or refusal shall be in writing. The foregoing provisions of this paragraph E shall apply to employees who exercise the one-time option.

If an employee is disqualified, for any reason, from a relief classification she shall be restricted from providing relief or bidding on such classification or higher classifications in the same line of progression for a period of six (6) months from the date she was disqualified.

- F. The rate applicable to the relief of a Customer Works Dispatcher by an employee from this bargaining unit shall be eighty-five cents (85¢) per hour above the employee's base rate, but the bonus shall be applicable only to the time actually worked on such relief and not as previously prescribed in this Section. This bonus is not applicable to the Customer Service Representative classification.

The employee shall continue to receive the applicable rate of pay as defined above until she returns to her former classification or, with her consent, to another classification.

10. An employee in this bargaining unit may use her seniority to appropriate the job of a second employee in this bargaining unit in the event the need for the first employee in her present job terminates or she loses her qualifications or aptitudes for it, and in such a move the first employee must perform the job of the second employee to conform to the standards set for it by the Job Description within a reasonable length of time except if an employee appropriates a job in a higher Pay Grade than the one she is leaving she must qualify at once.

- A. An employee who has appropriated more than one job during a period of work reduction or the need for an employee in her job terminates, shall retain recall rights only to her regular classification from which she was first displaced. If, at any time thereafter, and prior to being recalled, an employee becomes a successful bidder and is subsequently forced out of that new job for the same reasons stated above, the employee shall at the time of the job appropriation, designate either her current recall position or her current regular classification as the employee's job for recall purposes thereby waiving recall to the other position.
  - B. The employee, at the time of her job appropriation, will designate on the form provided by the Company, the position she wishes to retain for recall purposes after the terms of Article VI have been fully explained to her.
  - C. If under Section B the employee refuses to designate the position she wishes to retain for recall, her recall shall be to the classification from which she was first displaced.
  - D. When recall occurs, an employee has the option of either accepting or rejecting recall to her current recall position if she has since become a successful bidder.
  - E. Part-time and temporary employees shall have no bumping rights.
  - F. An employee in this bargaining unit is not eligible to appropriate a job in Local Union 12775 except as provided in Section 1, paragraph 4 of this Article.
11. If an employee is forced out of her job for reasons other than losing her aptitudes and abilities to handle the job and if at that time she has seven (7) or more years seniority, she will retain her rate if she goes to a lower-rated job, and receive negotiated increases accordingly, and such rates shall be considered incumbent. If the employee appropriates a job which is horizontal or higher than her recall rate she shall be considered incumbent and be allowed to retain her incumbent recall rate if she is subsequently forced out of her newly bumped position through no fault of her own or if she uses her



one time bid to a lower-rated job or horizontally. She will forfeit this consideration if she refuses a recall to her prior job at the same location.

- A. Employees with seven or more years of seniority at the time of the job appropriation will be afforded the opportunity of either accepting or rejecting recall when offered in accordance with Article VI, Sections 10 and 11.
- B. Employees with less than seven years of seniority at the time of the job appropriation must accept recall to their former classification when recall occurs.
- C. Any job left vacant when recall is completed shall be filled in accordance with the prevailing contract language.

An employee whose rate becomes incumbent by this Section may bid at any time to a higher rated job in this bargaining unit and maintain her incumbent rate. This same employee may bid to a lower-rated job or horizontally in this bargaining unit one time only and maintain her incumbent rate.

The foregoing does not apply to an employee whose rate is incumbent due to job evaluation.

12. An employee with three (3) or more years of seniority who is injured in the course of her employment and made subject to the provisions of the Indiana Workers' Compensation Act, and as a result of this injury loses her aptitudes or abilities to return to her regular job may use her seniority to appropriate the lower-rated job of a second employee (provided she is released by a Company doctor to perform the duties of this job) and retain her regular rate until such time as she is released by a Company doctor to return to her regular job. At such time she must return to her regular job.

13. When a vacancy occurs or is anticipated, or the work force is to be expanded in any of the classifications contained in the Wage Schedule, notice of such shall be prepared by the Employment and Compensation Department and posted by the Company on Union bulletin boards throughout the Company and once each week on Wednesday and remain through the following Tuesday, and mailed to the home address of any employee who is laid off due to lack of work

and retains re-employment rights under the terms of this Agreement not later than the fifth (5th) working day following the occurrence of the vacancy or the anticipation thereof (Saturdays, Sundays, and Holidays excluded) to notify the employees in the bargaining unit who may bid for such vacancy. An eligible employee in either Local Union 12775 or 13796 desiring to bid on the vacancy shall obtain the form "Bid for Job Vacancy" from the Supervisor designated on the notice and complete it. An employee may authorize another employee to submit a bid for her on a vacancy which is posted during the absence of the first employee if the absence is due to sick leave, leave of absence, or vacation, provided that such employee must report to her new position within the time limit specified in Section 19 of this Article. The employee shall submit her completed bid form to the Supervisor not later than the fifth (5th) working day (Saturdays, Sundays, and Holidays excluded) following the posting date of the notice which posting date shall be the first working day (Saturdays, Sundays, and Holidays excluded) following the release of the notice by the Employment and Compensation Department. After validation of the bid by a Supervisor, the employee shall retain a copy and return the original to a Supervisor for immediate transmittal to the Supervisor of Employment and Compensation at Southlake Complex. The Supervisor of Employment and Compensation shall send to the Recording Secretary of the Local a list of all bidders and their seniority dates at the same time such list is sent to the local supervisor.

The bid of a permanent or part-time employee shall take precedence over the bid of a temporary employee from Local Union 12775 and 13796, regardless of seniority.

For purposes of this section only, the seniority date of a part-time employee will be established by accumulating the number of straight-time and non-converted overtime hours worked by such employee from June 16, 1977, to and including the closing date of the vacancy and converting that number of hours into eight (8) hour days. The seniority date for purposes of this bid only will then be established by counting back that number of days (Saturdays, Sundays, and Holidays excluded) from the closing date of the vacancy.

Part-time employees who have accumulated less than one thousand forty (1,040) hours of part-time employment since June 16, 1977, will be subject to the bidding regulations as provided in Section 3 of this Article.

It is understood that only the hours worked forward from June 1, 1984, will apply to the employee's eligibility for benefits as provided in the Collective Bargaining Agreement for part-time employees.

If a successful bidder leaves her job for any reason within three (3) months from the time the first successful bidder on the vacancy reported to the job, the vacancy will be filled by an active employee who has recall (as specified under Section 32 of this Article, Memorandum of Agreement Employment Options for Laid-Off Employees; C-1 Full Time Replacement and Memorandum of Understanding dated 6-2-83), to that classification. If there are no employees with recall the vacancy will be filled from the remaining bidders on the original bid. If there are no remaining bidders on the original bid, the vacancy will be filled according to Section 26 of this Article. Supervisor of Employment and Compensation shall send, within thirty (30) days of filling, to the Recording Secretary of the Local notification of subsequent successful bidder on a bid that was previously filled and the successful bidder left within three (3) months.

14. Temporary vacancies in excess of thirty (30) days which are occasioned by vacations, sick leave or leaves of absence, including those granted under Article XVII, Section 7 and Section 8 hereof shall be known as "conditional vacancies". Subsequent temporary vacancies which result from the original local posting shall be known as "contingent vacancies". Locations specified in "A", "B" and "C" are defined in Section 17 of this Article.

- A. Conditional vacancies shall be posted locally at the location or department where the vacancy exists. Such vacancies shall be posted on all Union bulletin boards at that location for five (5) working days. An eligible employee must advise her supervisor of her interest in the vacancy.
- B. Contingent vacancies which result from the original local posting will be filled on a seniority basis from within the location.
- C. A conditional or contingent vacancy in Grade 3 or above which remains unfilled after it has been posted at a district office or a district operating headquarters shall then be posted at the other location within the same district.

- D. Vacancies that occur as a result of the employee on a conditional or contingent vacancy leaving it for any reason shall continue to be filled in the foregoing manner, provided that the vacancy will be available to the successful bidder for a minimum of thirty (30) calendar days.
  - E. The successful bidder as well as any others who may have changed jobs as a result of the conditional vacancy will be required to move back to her former job with all previous rights in the event the employee who created the initial vacancy returns or in the event the successful bidder fails to show the aptitudes and abilities to qualify for the Duties of the job as set by the Job Description.
  - F. Should the employee who created the initial vacancy not return, the vacancy will then be advertised in accordance with Section 13 of this Article.
  - G. The successful bidder on a conditional or contingent vacancy from another location shall not be eligible to bid on other conditional or contingent vacancies at the new location, and shall return to her former classification upon termination of the vacancy on which she bid.
  - H. Any conditional or contingent vacancy which is posted for bidding, or any vacancy resulting from such conditional or contingent vacancy shall be filled by an employee whose regular primary classification is in a lower pay grade. First consideration will be given to the senior employee who has accepted, or who has requested in writing and is available for, training to provide relief for the classification in which the vacancy exists. An employee will not be deemed to be unavailable because of job assignments made by the Company. An employee in the same or a higher pay grade shall not be eligible for such vacancy.
15. An employee who is in progression but has not attained the job on which she bid shall not be eligible for any conditional or contingent vacancy, regardless of seniority.



16. Any conditional, contingent, or temporary vacancies in this bargaining unit shall be filled by an employee from this bargaining unit.

17. A location, as used in this Article, is defined as one of the following:

- A. District Office and District Operating Headquarters, including all departments at both locations.
- B. Southlake Complex, Merrillville, Indiana. Each department will be treated as a separate location.
- C. Locations:
  - 1. Bailly Generating Station
  - 2. Construction Department
  - 3. Gas Operations Gary Central Gas Meter Shop
  - 4. Gas Operations LNG Plant, La Porte
  - 5. Gas Operations Royal Center
  - 6. Michigan City Generating Station
  - 7. Dean H. Mitchell Generating Station
  - 8. R. M. Schahfer Generating Station
  - 9. General Material Services/Central Stores, Valparaiso Servicenter
  - 10. Training and Utilization, La Porte
  - 11. Transportation Center, Gary

18. When a part-time vacancy occurs, notice of such vacancy shall be prepared and posted in accordance with Article VI, Section 13.

A full-time employee who accepts such part-time position shall forfeit all full-time seniority rights and benefits and must be available for work and able to conform to the standards set forth for the job in question.

A laid-off employee with recall rights shall have priority over active full-time employees and will not forfeit recall or seniority. The successful bidder's recall and seniority will not be extended beyond the regular period as a result of becoming a part-time employee as per Article VI, Section 34.



If said employee withdraws from this part-time position, she will have no rights for re-employment.

Temporary work force employees are not eligible to bid on part-time vacancies. If she is interested in obtaining a part-time position, she shall submit a letter to Employment and Compensation and a copy to the office of the Local Union. A letter shall be submitted for each vacancy indicating the vacancy number.

In the event that the employee is displaced from her job or if her job is eliminated, she will be provided the opportunity of working in the temporary work force without loss of the earned part-time hours which apply to Article VI, Section 13.

19. Except as otherwise provided in this Article, an employee shall be selected for the vacancy from those who bid for the vacancy in accordance with the definition of seniority as defined in Section 1 of this Article, or Article VI, Section 1, of the Agreement with Local Union 12775, provided she has the qualifications set for the job by the Job Description and has the aptitudes and abilities to qualify for the Duties of the job as set by the Job Description within a reasonable length of time.

If there are one or more bids on the vacancy, the Company shall reach a decision and notify all bidders as to the reason for the decision within thirty (30) calendar days.

A bidder shall immediately accept or reject the bid after being notified she is a successful bidder.

A successful bidder shall not be required to report to her new job less than forty-eight (48) hours after acceptance, but no later than ten (10) days (Saturdays, Sundays, and Holidays excluded) after being notified that she is the successful bidder. If an employee is not able to report to her new job within the ten (10) day period, it shall not be considered that her bid has been withdrawn, but she will not be eligible to fill that vacancy. In the case of an anticipated vacancy, the successful bidder shall assume the vacancy as soon as it occurs and, if necessary, be placed in training ahead of the occurrence of the vacancy. If no bidder qualifies, or if no bids are received, the Company shall otherwise fill the vacancy.

The names and seniority dates of the successful bidders, together with the vacancy number and the classification, shall be posted on the last day of each month on the Union bulletin boards, and a copy shall be sent to the Union office.

20. The required function of the Supervisor in the bidding procedure is specifically limited to the provisions of Section 13 above. The Supervisor shall not volunteer encouragement or discouragement to the employee in the matter of bidding, nor offer unsolicited opinions or advice. She may direct the attention of an employee to posted vacancies.

21. When an employee is a successful bidder into a higher classification in another department, or outside the line of progression within a department, she shall enter that department at the classification for which she can qualify immediately. She shall be allowed a training period of a maximum of fifty percent (50%) of the total of the experience requirement, as indicated in the Job Description, between the classification on which she immediately qualified and that on which she bid.

- A. The majority of the training time should be spent on those classifications closest in the line of progression to the job on which the employee bid. However, in no case shall the training time on a classification exceed the experience requirement as indicated in the Job Description.

Progression charts are included in the Job Description Manuals.

An employee who bids into a classification having a line of progression and who has six (6) or more months of seniority shall not be retained on a classification in Pay Grade One for more than two (2) days. An employee in training should not normally be used as relief below the classification on which she is training.

- B. The employee's rate during this training period will be predicated on her previous permanent rate. She will receive that step rate in each lower classification for which she is qualifying which is nearest to her previous

permanent rate. When her previous permanent rate is less than a step rate in the next classification for which she is qualifying, she shall receive the rate next above her previous permanent rate.

When the employee reaches the job on which she bid, she shall receive that step rate which is equal to her previous permanent rate. Should there be no identical step rate in this classification, she shall receive that step which is next above her previous permanent rate.

- C. If the employee fails to qualify in any of the classifications during her training progression within the prescribed period, she shall return to her last qualified job or entry job with all previous rights.

Other employees who have changed jobs as a result of the original vacancy shall return to their former jobs with all previous rights.

With respect to this Article, an employee shall be considered "qualified" on classifications in Pay Grades 1 through 4 after three (3) months, and on other classifications after six (6) months of satisfactory performance in any step rate of the job on which she bid. This new classification will then become the employee's "regular job."

- 22. A. An employee who is a successful bidder, who has not qualified in that classification for which she bid, may withdraw from her bid and return to her last qualified job by submitting a written notice to her Supervisor within the first thirty (30) calendar days after she reports either (i) in that classification for which she bid or (ii) in another classification in that line of progression for purposes of training for the bid classification. If the employee so withdraws, or if she is disqualified by the Company within such thirty (30) calendar days, she shall be prohibited from again bidding into that same classification, or into higher classifications in the same line of progression, in either bargaining unit, for six (6) months after the date she returns to her last qualified job. Employees affected

by the withdrawal or disqualification shall return to their former jobs.

- B. An employee who is a successful bidder, who has not qualified in that classification for which she bid, may withdraw from her bid and return to her last qualified job, by submitting a written notice to her Supervisor, even though she has remained for more than thirty (30) calendar days after she reports either (i) in that classification for which she bid or (ii) in another classification in that line of progression for purposes of training for the bid classification. If the employee so withdraws, or if she is disqualified by the Company after such thirty (30) calendar days, she shall be prohibited from bidding on any vacancies in any classification, in either bargaining unit, for six (6) months after the date she returns to her last qualified job. Employees affected by the withdrawal or disqualification shall return to their former jobs.
- C. An employee who withdraws and/or is disqualified by the Company from any two (2) classifications in a twelve (12) month period shall be prohibited from bidding on any vacancy in any classification, in either bargaining unit, for one (1) year after the date of her second withdrawal or disqualification.
- D. An employee who is the successful bidder on but rejects at least four (4) vacancies, in either bargaining unit, within a period of twelve (12) consecutive months, shall be prohibited from bidding on any other vacancy, in either bargaining unit, for one (1) year after the date she rejects the most recent vacancy on which she was the successful bidder.
- E. The Company shall complete the Disqualification or Withdrawal form, attached as Exhibit 1, in all instances covered by paragraphs A, B, C and D of this Section 22, and shall send a copy thereof to the Union.

23. An employee who bids into a classification in the same or a lower Pay Grade shall be subject to all the rules governing the training



for the classification on which she successfully bids. Upon successfully completing her training she will enter her new classification at that step of the classification which she had immediately prior to her becoming the successful bidder.

24. A non-incumbent employee who bids or bumps into a classification in the same or a lower Pay Grade shall be subject to all the rules governing the training for the classification. She will enter her new classification at that step of the classification which is closest to, but not greater than her previous rate.

25. When an employee bids on a vacancy and the Supervisor thereafter requests the bidder to come in for an interview, the employee shall receive her wages for the time that such interview overlaps her regular work schedule, and also shall be reimbursed any actual travel expenses.

26. If a job is posted and no one bids, or none of the bidders is qualified, and the Company does not fill the vacancy otherwise within forty-five (45) days, measured from the last day there was a valid bidder to be considered, and then thereafter wants to fill it, the vacancy is to be reposted one additional time. If, after being posted for the second time, no one bids, or none of the bidders is qualified, it will not be posted again.

27. When a vacancy occurs under the terms of Section 13 of this Article and the Company elects not to fill the vacancy, notice thereof shall be mailed to each of the Grievance Committee persons of the Local Union, the Recording Secretary and to the Local Union Office of the United Steelworkers of America, not later than the fourth (4th) working day following the occurrence of such vacancy (Saturdays, Sundays, and Holidays excluded).

28. The Central Cash Department shall consist of the following full time job classifications:

One (1) Senior Mail Processing Cash Clerk  
Five (5) Mail Processing Cash Clerks  
Seven (7) Mail Sorters



There shall be seven (7) full-time positions bid in this classification to replace the existing part-time positions of Mail Processing Clerks currently in the Central Cash Department who shall be called Mail Sorters. The Company will not decrease these numbers unless technological equipment assumes the work of these employees and changes justify a reduction.

The Mail Sorters in the Central Cash Department may provide temporary relief in lateral or lower classifications in other departments at Southlake Complex after all full-time employees in the department in which the Mail Sorters are providing relief have been upgraded, if a vacancy exists. The intent of this relief provision is not to replace full-time and part-time employees.

29. An employee filling a vacancy temporarily until bids are received and who bids on the vacancy herself shall, in the consideration of skill and ability to perform the job, receive no credit for skill or ability developed while serving until bids are received.

30. Any employee who fails to submit a bid for a particular vacancy advertised according to the terms of this Article shall thereby waive any right to bid on that particular vacancy and the bidding shall not be extended or re-opened because of such failure to bid.

31. When an employee who is incumbent for any reason moves by transfer or through a bid to another job in a higher Pay Grade in this bargaining unit, she shall be subject to all the rules governing training for the classification, and her rate after the move shall be either her incumbent rate or the next higher step rate of the new job, whichever is the higher.

- A. An employee in this bargaining unit who is incumbent as a result of job evaluation who transfers at her request or bids into a job in the same or lower Pay Grade in this bargaining unit shall receive the final step rate of the new job.
- B. An employee in this bargaining unit whose rate becomes incumbent by Section 11 of this Article may bid horizontally or to a lower-rated job in this bargaining unit than that to which she bumped, one time only and maintain her incumbent rate.

If thereafter she fails to satisfactorily perform on the new job or is dissatisfied with it, she may be returned within sixty (60) days to her former job at her incumbent rate.

32. When recall occurs, no new employee shall be hired until all eligible employees laid off without severance pay have been recalled, provided that such employees laid off are available for work and can perform the job in question to conform to the standards set for it by the Job Description and report for work within ninety-six (96) hours after notification through the United States mail or by telegram, addressed to the address last given to the Company by the employee, and a copy of said notice given to the Recording Secretary of Local 13796 at the same time the notice is sent to the employee. Failure of an employee so notified to report to work, or to supply a satisfactory reason for not doing so within the time limits prescribed shall be deemed abandonment of employment by the said employee. If an employee carries an incumbent rate at the time of her layoff and is recalled in the same classification, she shall retain her incumbent rate when recalled.

In all instances when a vacancy occurs and is not filled by recall of an active displaced employee, it shall be bid per Section 13 of this Article. Laid-off employees will be provided the opportunity to bid.

If a vacancy remains unfilled, Section 32 of this Article shall apply and the senior laid-off employee shall be offered recall. The maximum period for which a laid-off employee shall be eligible for re-employment will remain as specified in Section 34 of this Article.

When a job vacancy is to be filled by recall:

Recall will be provided to the senior active employee with recall to the same classification at the location from which the employee was displaced.

Failure to accept recall will result in forfeiture of incumbency status.

An employee shall retain her right of recall to her regular classification at the location from which she was first displaced.

33. The seniority of an employee shall be considered broken when:

- A. The employee resigns from the Company's employ;
- B. The employee is discharged for just cause;
- C. The employee is laid off, in which case Section 34 or Section 37 of this Article shall govern;
- D. The employee accepts severance pay as described herein.

34. An employee who is laid off and, thereafter, returns to a position in this bargaining unit shall return with complete loss of seniority unless such return occurs as follows: For those having less than five (5) years' seniority on the date of leaving the bargaining unit, seniority shall be continuous if the employee returns to the bargaining unit within one (1) year; for those having at least five (5) years' but less than ten (10) years' seniority on the date of leaving the bargaining unit, seniority shall be continuous if the employee returns to the bargaining unit within two (2) years; and, for all others, seniority shall be continuous if the employee returns to the bargaining unit within three (3) years.

An employee who transfers to a Supervisory, Professional, or Exempt position shall have the right to return to her last qualified position in this bargaining unit at her former location if such return occurs within one (1) year from the date she leaves the bargaining unit. If the employee returns to the bargaining unit within one (1) year as specified, she shall be restricted from relieving in higher classifications or bidding on any vacancy in any classification in either bargaining unit for six (6) months from the date of her return. The employee must pass all testing requirements agreed to by the Union and Company. The employee shall schedule her vacation after all other employees in the department have scheduled their vacations. She shall be charged with the highest number of hours on the overtime list. An employee who accepts a transfer to a non-bargaining unit position shall be assessed a monthly fee equivalent to the monthly Union dues she was paying at the time of her transfer. At any time she decides she no longer wishes to retain her right to return to the bargaining unit, she shall give the Company and Union written

notice of her decision and the monthly fee will be terminated at the beginning of her next pay period. This provision applies to positions within NIPSCO, and does not apply to positions at any other subsidiary of NiSource.

The time of an employee who transfers to a position outside this bargaining unit as defined above and then thereafter returns to a position in this bargaining unit shall be accumulated upon each occasion. The total accumulation of the time spent outside the unit shall be governed by the above provisions.

35. If the plant, district or department is closed or consolidated, the employees shall be assigned by seniority to the same classification at a location within a radius of twenty-five (25) miles of the employee's headquarters or residence whichever is closest to the new location provided a vacancy exists. These employees shall not be considered incumbent. These offerings will be by seniority, giving the senior employees the option to accept or refuse the assignment with the junior employee having to accept the twenty-five (25) mile assignment. All employees not accepting the assignment will be granted job appropriation pursuant to the current contract provisions. Should simultaneous vacancies occur, the employees shall have their choice.

36. Part-time employees shall not participate in the seniority benefits provided in this Article except that after October 1, 1987, hours will be accumulated to establish pro-rata seniority for bidding, and to establish pro-rata seniority for bumping after attaining a regular full-time job. The Company shall keep employee records in such a manner as to regularly accumulate and reflect such part-time hours for bids and bumps adding additional hours in accordance with this Article for each specific bid or bump.

The Company shall after October 1, 1987, keep employee records in such a manner as to regularly accumulate and reflect such part-time hours for vacation entitlement as should be credited to the employee's vacation anniversary date upon the obtaining of a permanent bid by the employee.

Beginning June 1, 1984, hours will also be accumulated to establish eligibility for other benefits as provided in the Collective Bargaining Agreement for part-time employees. An employee will not



receive credit for both full-time service and part-time hours during the same period as to pyramid or inflate the employee's seniority or benefit eligibility. Employees on lay-off, eligible for recall, who bridge full-time seniority under the contract shall not be credited for any part-time hours worked during the laid-off period; however, employees who fail to contractually bridge full-time seniority after lay-off, but who work part-time, shall be credited all part-time hours worked back to June 16, 1977, including those hours worked while on lay-off.

37. If an employee is laid off she may, at the time of layoff, elect to take severance pay in lieu of retaining her re-employment rights and seniority. Effective June 1, 1995, the employee shall be eligible for such an election only if the layoff is caused through no fault of her own. Such severance pay shall be computed at one (1) week's wages at the employee's regular base rate and normal scheduled hours for each full year of seniority. The employee may also have the right of electing to take a layoff with recall rights, or of bumping to another job. (See Memorandum of Agreement-Employment Options for Laid Off Employees reprinted at back of this Agreement.)

38. During the term of the Agreement, no regular full-time employee having five (5) or more years of full-time service shall be laid off due to termination of her job or suspension thereof. This section does not apply to disciplinary or discharge action arising out of the employee's conduct. The Company reserves the right to assign those employees who are unable to appropriate another job to alternate work assignments.

39. The Company shall provide the Union semi-annual reports listing all clerical employees who have recall, their classifications and district/location.



## ARTICLE VII Holidays

1. The following legal holidays shall be observed by the Company: New Year's Day, January 1; Washington's Birthday; Good Friday; Memorial Day, the last Monday in May; Independence Day, July 4; Labor Day, the first Monday in September; Veteran's Day; Thanksgiving Day, the fourth Thursday in November; Christmas Day, December 25; or the day following if any fall on Sunday, the day following Thanksgiving Day; December 24; and December 31.

Each eligible full-time employee shall receive eight (8) hours' time at her regular hourly rate of pay for each holiday, except that an employee on an alternative schedule shall receive pay for the number of regularly scheduled hours of her work schedule for any holiday which falls on a scheduled workday.

A part-time employee shall receive eight (8) hours pay if a holiday falls on a Monday, and six (6) hours pay if the holiday falls on any other day of the week, regardless of the employee's schedule.

2. Employees who are required to work on a holiday as part of their regular schedule shall receive, in addition to holiday pay, two (2) times the hours worked at their hourly rate of pay. Employees who are required to work on Easter Sunday as part of their regular schedule shall receive two (2) times the hours worked at their hourly rate of pay.

3. Any of the above-named holidays shall be considered as a day worked for the purpose of determining the number of consecutive days worked in the work schedule in which such holiday falls. The regular stated schedule of an employee shall not be changed due to the fact that an observed holiday falls on either a Monday or a Saturday.

4. When a holiday occurs on a day that an employee is receiving base wages due to a death in the family, as provided in Article XVII, Section 4, the employee shall also receive pay for the holiday as provided herein or have the election to take an additional day off.

5. An employee shall be paid for such holidays that occur during the first thirty (30) days of a leave of absence under any one of the following conditions:

- A. Military Leave
- B. After completion of sick leave
- C. After completion of vacation following the expiration of sick leave

6. A new employee who completes thirty (30) calendar days of employment shall be eligible for holiday pay in accordance with this Article and such pay shall be retroactive to the date of last employment and at the permanent base hourly rate applicable to the last working day preceding the holiday.

7. The amount paid to an employee for a holiday shall include Work Dispatcher bonus provided that:

- A. The employee worked her scheduled hours and was eligible to receive the bonus the day before and the day after the holiday during a week in which a holiday is observed between Monday and Friday, or
- B. The employee worked her scheduled hours and was eligible to receive the bonus on the remaining days in the week during a week in which a holiday is observed on a Monday, Friday or Saturday.

8. The amount paid for a holiday to an employee who provides temporary relief to a higher classification in this bargaining unit shall be determined in accordance with the following paragraphs:

- A. When an employee's schedule requires her to work a portion of her scheduled hours in a higher classification on an established regularly scheduled basis, she shall receive holiday pay for the same number of hours at the same rates she would have received had she worked a regular schedule, provided that she works in accordance with the time requirements of Subsections 7A or 7B above.
- B. An employee who works in a higher classification all her scheduled hours on the day before and the day after a holiday shall receive the rate of the higher classification for the holiday.

- C. In the event the employee is upgraded to more than one higher classification as provided in Paragraph B of this Section, she shall receive the rate of the last classification worked immediately preceding the holiday.
  - D. If the holiday is observed on either a Monday, Friday or Saturday and the employee works in the higher classification all the remaining scheduled hours in that week, she will receive the rate of the higher classification for the holiday.
9. Should the employee work on the holiday she shall be paid such bonuses and premium as may be appropriate under the provisions included elsewhere for the hours actually worked, and this shall be in addition to the base pay for the holiday as such.
10. The rate of pay and the applicable bonuses an employee could have earned while on official Union business shall be included to determine the amount due as holiday pay.